



County of Los Angeles CHIEF EXECUTIVE OFFICE

Kenneth Hahn Hall of Administration
500 West Temple Street, Room 713, Los Angeles, California 90012
(213) 974-1101
<http://ceo.lacounty.gov>

WILLIAM T FUJIOKA
Chief Executive Officer

May 22, 2012

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, California 90012

Dear Supervisors:

ADOPTED

BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES

22 May 22, 2012

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

Board of Supervisors
GLORIA MOLINA
First District

MARK RIDLEY-THOMAS
Second District

ZEV YAROSLAVSKY
Third District

DON KNABE
Fourth District

MICHAEL D. ANTONOVICH
Fifth District

**JOINT RESOLUTION BETWEEN THE CITY OF PALMDALE AND THE
COUNTY OF LOS ANGELES APPROVING AND ACCEPTING THE NEGOTIATED
EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE ANNEXATION
OF UNINCORPORATED TERRITORY KNOWN AS GRANITE EXPANSION TO THE
CITY OF PALMDALE (ANNEXATION 2011-09)
(FIFTH DISTRICT)
(3 VOTES)**

SUBJECT

Adoption of the Joint Resolution for the annexation of unincorporated territory to the City of Palmdale.

IT IS RECOMMENDED THAT YOUR BOARD:

Adopt the Joint Resolution between your Board and the City Council of the City of Palmdale based on the negotiated exchange of property tax revenue, as a result of the proposed Annexation 2011-09 of approximately 44 acres of unincorporated territory known as Granite Expansion to the City of Palmdale.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTIONS

The City Council of the City of Palmdale has adopted the attached Joint Resolution based on the negotiated exchange of property tax revenue resulting from the proposed annexation of unincorporated territory to the City of Palmdale. The territory consists of approximately 44 acres generally located north of Pearblossom Highway between 70th Street East and Littlerock Creek.

In order for the Local Agency Formation Commission (LAFCO) for the County of Los Angeles to proceed with its review and consideration of the proposed annexation, your Board, as the governing body of the County, must first adopt the Joint Resolution.

"To Enrich Lives Through Effective And Caring Service"

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Intra-County Correspondence Sent Electronically Only**

FISCAL IMPACT/FINANCING

The adopted Joint Resolution will transfer annually One Thousand Five Hundred Twenty-Three Dollars (\$1,523) in base property tax revenue from the County General Fund to the City and will allocate a share – approximately 6.58 percent of the annual property tax increment in Tax Rate Area 04651 and 6.59 percent in Tax Rate Area 04685 – from the County to the City, as contained in the Joint Resolution. An adjustment will be made to the County budget in the fiscal year following the year in which the annexation is approved.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

Pursuant to Part 3, Title 5 of the California Government Code, commencing with Section 56000, the City of Palmdale adopted a resolution and filed an application with LAFCO to initiate proceedings for annexation of the subject territory to the City.

Section 99 of the California Revenue and Taxation Code (R & T Code) requires that prior to the effective date of any jurisdictional change, the governing bodies of all agencies whose service area or service responsibilities will be altered by such change, must address the fiscal impacts of the proposed annexation by negotiating a reallocation of property tax revenue between the affected agencies, and approve and accept such reallocation by resolution. The City Council of the City of Palmdale has adopted the negotiated Joint Resolution, as required by Section 99 of the R & T Code.

The proposed territory to be annexed to the City of Palmdale is currently within the County of Los Angeles Road Maintenance District No. 5 (RMD No. 5), County Public Library system, County Lighting Maintenance District 1687 (CLMD 1687), and County Lighting District LLA-1, Unincorporated Zone (CLD-LLA-1, Unincorporated Zone). Upon annexation of the territory to the City, the territory will be detached from County RMD No. 5, withdrawn from the County Public Library and CLMD 1687, and excluded from CLD-LLA-1, Unincorporated Zone.

Adoption of the Joint Resolution by your Board will allow LAFCO to schedule its review and consideration of the proposed annexation. LAFCO will subsequently take action to approve, approve with changes, or disapprove the proposal for the annexation.

The Joint Resolution has been approved as to form by County Counsel.

ENVIRONMENTAL DOCUMENTATION

The proposed project is not a project pursuant to the California Environmental Quality Act ("CEQA") because it is an activity that is excluded from the definition of a project by Section 15378(b) of the State CEQA Guidelines. This proposed action is the creation of a government funding mechanism, a fiscal activity which does not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment.

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IMPACT ON CURRENT SERVICES (OR PROJECTS)

Upon the effective date of the annexation, the City will become responsible for providing municipal services to the area within its jurisdiction.

CONCLUSION

At such time as the recommendation is approved by your Board, please return one copy of the letter and five signed originals of the Resolution to LAFCO, one approved copy of the letter and one original Resolution to the Chief Executive Office, Office of Unincorporated Area Services, and one approved copy of the letter and a copy of the Resolution to the Auditor-Controller, Tax Division.

Respectfully submitted,



WILLIAM T FUJIOKA
Chief Executive Office

WTF:RLR
DSP:JT:acn

Attachments

- c: Executive Office, Board of Supervisors
- County Counsel
- Assessor
- Auditor-Controller
- Sheriff
- Fire
- Public Library
- Public Works
- Regional Planning

**JOINT RESOLUTION OF THE BOARD OF SUPERVISORS OF THE
COUNTY OF LOS ANGELES AND THE CITY COUNCIL OF THE
CITY OF PALMDALE, APPROVING AND ACCEPTING THE NEGOTIATED
EXCHANGE OF PROPERTY TAX REVENUE RESULTING FROM THE
ANNEXATION OF TERRITORY KNOWN AS ANNEXATION 2011-09
(GRANITE EXPANSION) TO THE CITY OF PALMDALE, WITHDRAWAL FROM
COUNTY LIGHTING MAINTENANCE DISTRICT 1687, EXCLUSION FROM
COUNTY LIGHTING DISTRICT LLA-1, UNINCORPORATED ZONE,
DETACHMENT FROM COUNTY ROAD DISTRICT NO. 5, AND
WITHDRAWAL FROM THE COUNTY PUBLIC LIBRARY SYSTEM**

WHEREAS, the City of Palmdale initiated proceedings with the Local Agency Formation Commission (LAFCO) for the County Los Angeles for the annexation of territory identified as Annexation 2011-09 to the City of Palmdale; and

WHEREAS, pursuant to Section 99 of the California Revenue and Taxation Code, for specified jurisdictional changes, the governing bodies of affected agencies shall negotiate and determine the amount of property tax revenue to be exchanged between the affected agencies; and

WHEREAS, the area proposed for annexation is identified as Annexation 2011-09 and consists of approximately 44 acres of unincorporated territory known as "Granite Expansion" generally located north of Pearblossom Highway between 70th Street East and the Littlerock Creek; and

WHEREAS, the area is located within the boundaries of County Lighting Maintenance District 1687; and

WHEREAS, the City of Palmdale hereby agrees to the withdrawal of the proposed annexation territory from County Lighting Maintenance District 1687; and

WHEREAS, upon annexation of the proposed area to the City of Palmdale, the territory shall be withdrawn from County Lighting Maintenance District 1687; and

WHEREAS, the annexation area is also located within County Lighting District LLA-1, Unincorporated Zone; and

WHEREAS, pursuant to Section 22613 of the California Streets and Highways Code, whenever any territory of an assessment district is included within a city by annexation or incorporation, that territory is thereby excluded from the assessment district; and

WHEREAS, upon annexation of the proposed area to the City of Palmdale, the territory will be automatically excluded from County Lighting District LLA-1, Unincorporated Zone; and

WHEREAS, the Board of Supervisors of the County of Los Angeles, as governing body of the County and the County of Los Angeles Road District No. 5, County Lighting Maintenance District 1687, County Lighting District LLA-1, Unincorporated Zone, County Public Library, and the City Council of the City of Palmdale, have determined the amount of property tax revenue to be exchanged between their respective agencies as a result of the annexation of the unincorporated territory identified as Annexation 2011-09, detachment from County Road District No. 5, withdrawal from County Lighting Maintenance District 1687, exclusion from County Lighting District LLA-1, Unincorporated Zone, and withdrawal from the County Public Library system, is as set forth below:

NOW, THEREFORE, BE IT RESOLVED AS FOLLOWS:

1. The City of Palmdale agrees that it will bear the full responsibility for the street lighting and lighting maintenance services in the proposed annexation area upon the withdrawal of the annexation territory from County Lighting Maintenance District 1687 and exclusion of the territory from County Lighting District LLA-1, Unincorporated Zone.

2. The negotiated exchange of property tax revenue between the County of Los Angeles and the City of Palmdale, resulting from Annexation 2011-09 is approved and accepted.

3. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-09 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, property tax revenue received by County Road District No. 5, attributable to Annexation 2011-09 shall be transferred to the County of Los Angeles, and the County Road District No. 5 share in the annexation area shall be reduced to zero.

4. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-09 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio received by County Lighting Maintenance District 1687 attributable to Annexation 2011-09 in the annexation area shall be reduced to zero.

5. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-09 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the tax-sharing ratio received by the County Public Library attributable to Annexation 2011-09 shall be transferred to the County of Los Angeles, and the County Public Library share in the annexation area shall be reduced to zero.

6. For the fiscal year commencing in the year after the filing of the statement of boundary change for Annexation 2011-09 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, One Thousand, Five Hundred and Twenty-Three Dollars (\$1,523) in base property tax revenue shall be transferred from the County of Los Angeles to the City of Palmdale.

7. For the fiscal year commencing after the filing of the statement of boundary change for Annexation 2011-09 with the Board of Equalization pursuant to Government Code sections 54902 and 57204, and every fiscal year thereafter, the following ratios of annual property tax increment attributable to each respective Tax Rate Area in the Annexation 2011-09 territory shall be transferred from the County of Los Angeles to the City of Palmdale as shown below, and the County's share shall be reduced accordingly:

Tax Rate Area	Annual Tax Increment Ratio Transfer to the City
04651	0.065789732
04685	0.065925997

/

PASSED, APPROVED AND ADOPTED this 2nd day of May, 2012
by the following vote:

AYES: Ledford, Hofbauer, ABSENT: Lackey
Bettencourt, Dispenza

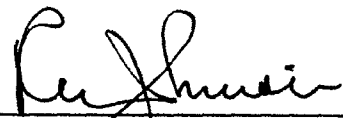
NOES: None

ABSTAIN: None



James C. Ledford, Jr., Mayor

ATTEST:



Rebecca J. Smith
City Clerk

Approved as to form:



Wm. Matthew Ditzhazy
City Attorney

/ / / / / / / /
(Signed in Counterpart)

The foregoing resolution was on the 22nd day of May, 2012, adopted by the Board of Supervisors of the County of Los Angeles and ex officio the governing body of all other special assessment and taxing districts, agencies and authorities for which said Board so acts.



**SACHI A. HAMAI, Executive Officer
Clerk of the Board of Supervisors
of the County of Los Angeles**

By Lachelle Smithman
Deputy

APPROVED AS TO FORM:

JOHN F. KRATTLI
Acting County Counsel

BY  Deputy

(Signed in Counterpart)